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NEWS RELEASE

For Immediate Release

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THDA Makes Homeowner out of Renter

NASHVILLE – The Tennessee Housing Development Agency (THDA) has made Ms. Betty Kirby's dream of homeownership come true. In May of this year, THDA's Board voted to provide \$45 million in mortgage funds for those trying to rebuild after the storms and tornadoes that struck Madison County.

"Thanks to our Disaster Relief and Economic Recovery Program Ms. Kirby, a prior renter, is now a homeowner," said Janice Myrick, Executive Director at THDA.

"The home I rented for the past 10 years was severely damaged by the tornado that struck Jackson last May, and I lost almost all of my personal belongings," said Ms. Kirby.

Ms. Kirby is receiving help from THDA under Tier 1 of the Disaster Relief and Economic Recovery Program, which provides her a mortgage loan at 0%. With this program she will be paying less to own her home than she paid each month for rent.

David Hayes, previous THDA board chairman said, "this is exactly what the board wanted to accomplish with this program".

There are still funds available under the Disaster Relief and Economic Recovery Program. There are varying levels of assistance under this program, with a priority on very low-income families. Specifically, there are three tiers of assistance available to families or individuals:

Tier 1: Disaster Relief for very low-income households.

- \$10 million made available at 0%
- Borrower must have been directly affected by the
- Income level – not higher than 60% of applicable median
- Acquisition cost limit is \$95,000 (new or existing)
- Down payment assistance grant available up to \$5,000 per applicant (subject to availability of funds - \$500,000 available for first two tiers). Use of funds limited to down payment and closing costs.

Tier 2: Disaster Relief for low-income households.

- \$10 million made available at 3%
- Borrower must have been directly affected by the disaster
- more-
- Income level – not higher than 80% of applicable median

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- Acquisition cost limit is \$125,000 (new or existing)
- Down payment assistance grant available up to \$5,000 per applicant (subject to availability of funds - \$500,000 available for first two tiers). Use of funds limited to down payment and closing costs.

Tier 3: Economic Recovery for low and moderate income households.

- \$25 million made available at THDA's current rate
- Borrower must live in Disaster County – but doesn't have to have been directly affected by the disaster
- Income level – not higher than 120% of applicable median
- Acquisition cost limit is \$175,000 (new or existing)
- No down payment assistance available

Aside from these provisions, all other THDA program rules apply for this program. These provisions do not apply to the Great Rate and Great Start program.

In addition to the Disaster Relief and Economic Recovery Program available to Madison County, the County will also receive \$200,000 in Disaster Recovery Grant funds. Madison County Mayor Jerry Gist and Jackson City Mayor Charles Farmer have designated the Jackson Housing Authority as the administrator of these funds. These funds were generated through the recapture of HOUSE funds, and are being allocated for the disaster recovery efforts in specific counties. With a majority of Tennessee's 95 counties receiving a Presidential Disaster Declaration, THDA considered the number of applications for Federal Emergency Management Agency (FEMA) assistance as the basis for allocating the recaptured funds. for projects serving persons with special needs.

THDA also administers a below market rate mortgage program, along with several other federally-funded programs, such as Section 8 Programs, low income housing tax credits, and multifamily bond authority.

"Our mission is to be the lead state agency promoting sound and affordable housing for people who need help. This is just another opportunity to improve a family's quality of life," said Janice Myrick, executive director of THDA.

This year, THDA is celebrating 30-years of success in providing the dream of homeownership to families across the state. Since the inception of the agency, THDA has helped over 80,500 families become homeowners.

For more details regarding this program contact your local lenders or log onto THDA's web site at www.tennessee.gov/thda.

Editor Notes: Background on THDA

- In 1973, the Tennessee Housing Development Agency (THDA) was created by the Tennessee General Assembly. The purpose: address the housing needs of low and moderate income Tennesseans.
- The Agency has a 19-member board of directors appointed from various sectors of the housing industry, with the state government being represented by the Governor's office, the Commission of Finance & Administration and the Constitutional Officers: Secretary of State, State Treasurer and Comptroller of the Treasury.
- Since its creation, THDA has achieved a impressive track record:
 - 80,000 people have become first-time homebuyers through the single-family mortgage program
 - More than \$4.8 billion in bonds have been issued to finance mortgages
 - Over 5,400 Tennesseans have been helped with Section 8 Rental Assistance
 - 27,900 project-based Section 8 units have been administered by the agency
 - 5,811 units of affordable housing have been built or rehabilitated with the HOME Grant Program
 - 24,000+ affordable multi-family units have been constructed
- In addition, THDA has created special programs that have been nationally recognized, such as the Bicentennial Neighborhoods Initiative in the late 1990's.
- The Agency has been a financial success as well, doing a public mission without the use of state tax dollars. Through prudent financial management and investments, THDA has been and continues to be self-supporting.
- Pursuant to the State of Tennessee's policy of non-discrimination, the Tennessee Housing Development Agency does not discriminate on the basis of race, sex, religion, color, national or ethnic origin, age, disability, or military service in its policies, or in the admission or access to, or treatment or employment in, its programs, services or activities.
- Equal Employment Opportunity/Affirmative Action inquiries or complaints should be directed to the Tennessee Housing Development Agency EEO/AA, ADA Coordinator Donald L. Harris, Jr., 404 James Robertson Parkway, Suite 1114, Nashville, TN 37243-0900, 615/741-1106; 615/532-2894, TDD; 1-800-228-THDA, toll-free answering machine.